

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION**

In re:

STRIKE, LLC, *et al.*,¹

Reorganized Debtors.

)
) Chapter 11
)
) Case No. 21-90054 (DRJ)
)
)
) (Jointly Administered)

**STIPULATION AND AGREED ORDER BY AND AMONG THE WIND-DOWN
DEBTORS AND MANUEL GARZA MODIFYING THE DISCHARGE INJUNCTION**

The above-captioned debtors (collectively, the “Debtors” before the Effective Date of the Plan and the “Wind-Down Debtors” after the Effective Date of the Plan) and Manuel Garza, Hilda Garza, Jose Arias, et al.² (“Plaintiffs” and, together with the Wind-Down Debtors, the “Parties”) hereby enter into this stipulation and agreed order (this “Stipulation and Agreed Order”) as follows:

A. On December 6, 2021, the Debtors filed voluntary petitions for relief under chapter 11 of the United States Bankruptcy Code (the “Bankruptcy Code”) in the United States Bankruptcy Court for the Southern District of Texas (the “Court”);

¹ The Wind-Down Debtors in these chapter 11 cases, along with the last four digits of each Wind-Down Debtor’s federal tax identification number, are: Strike, LLC (2120); STH ShellCo LLC (*f/k/a* Strike HoldCo, LLC) (0607); Delta Directional Drilling, LLC (9896); SGH ShellCo LLC (*f/k/a* Strike Global Holdings, LLC) (4661); CIS ShellCo LLC (*f/k/a* Capstone Infrastructure Services, LLC) (0161); and Crossfire, LLC (7582). The location of Wind-Down Debtor Strike, LLC’s principal place of business and the Wind-Down Debtors’ service address is: 460 Wildwood Forest Drive., Suite 350, Spring, TX 77380. Additional information regarding this case may be obtained on the website of the Wind-Down Debtors’ claims and noticing agent at <https://dm.epiq11.com/StrikeLLC>.

² Manuel Garza is the first of eleven named Plaintiffs in the matter styled Manuel Garza, Hilda Garza, Jose Arias, Eloisa Barrera, Jose Bonilla, Jorge Rosalba, Katrina Flores, Ramon Garcia, Maria Hernandez, Myra Lamb and Martha Romo v. Magellan Midstream Partners LP, Magellan Crude Oil Pipeline Company, LP, Magellan Pipeline GP, LLC, CenterPoint Energy Houston Electric, LLC, and Strike, LLC, filed in the 189th Judicial District Court of Harris County, Texas, Cause No. 2021-25159.

B. On May 17, 2022, the Court entered its *Order (I) Approving the Disclosure Statement, (II) Confirming the Debtors' Joint Chapter 11 Plan of Liquidation, and (III) Granting Related Relief* [Docket No. 1111] (the "Confirmation Order") confirming the *Second Modified Combined Disclosure Statement and Joint Chapter 11 Plan of Liquidation of Strike, LLC and Its Affiliated Debtors* [Docket No. 1094] (the "Plan"). The Plan went effective on June 6, 2022 (the "Effective Date");

C. On November 30, 2021, Plaintiffs filed suit in the matter styled *Manuel Garza, Hilda Garza, Jose Arias, Eloisa Barrera, Jose Bonilla, Jorge Rosabla, Katrina Flores, Ramon Garcia, Maria Hernandez, Myra Lamb and Martha Romo v. Magellan Midstream Partners LP, Magellan Crude Oil Pipeline Company, LP, Magellan Pipeline GP, LLC, CenterPoint Energy Houston Electric, LLC, and Strike, LLC*, filed in the 189th Judicial District Court of Harris County, Texas, Cause No. 2021-25159 (the "Lawsuit");

D. Certain of the Debtors' insurance policies have provided coverage applicable to the Lawsuit (collectively, the "Policies");

E. The Parties have agreed to modify the Plan injunction on the terms and conditions set forth in this Stipulation and Agreed Order, for the exclusive purpose of allowing the Plaintiffs to proceed solely against the proceeds of the Policies and solely to the extent provided in this Stipulation and Agreed Order.

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated into this Stipulation and Agreed Order, the Parties stipulate and agree as follows:

1. The Plaintiffs agree and acknowledges that: (a) any amounts recovered by the Plaintiffs by a final order or settlement in the Lawsuit as to the Debtors are limited solely to proceeds from the Policies, if any, and not from the Wind-Down Debtors, their estates, or their

successors, including any trust or fund established pursuant to a plan to pay the claims of unsecured creditors, and (b) as against the Wind-Down Debtors, the Plaintiffs must prosecute the Lawsuit (and enforce any judgment obtained on account of the same) solely with respect to proceeds available from the Policies, if any.

2. Neither the Wind-Down Debtors, their estates, nor their successors, including any trust or fund established pursuant to a plan to pay the claims of unsecured creditors, shall be required to fund costs associated with (a) any self-insured retention or deductible liability, (b) any obligation to post any security or deposit with any non-debtor defendants or any insurance carrier pursuant to the terms of an applicable insurance policy, if any, or (c) any other costs of any kind, including, without limitation, attorneys' fees and expenses or amounts due for any non-debtor defendants' or insurance carriers' claims based on indemnification obligations or applicable insurance policies, if any, against the Wind-Down Debtors, their estates, or their successors, including any trust or fund established pursuant to a plan to pay the claims of unsecured creditors, in the Lawsuit.

3. Any judgment(s) obtained by the Plaintiffs in the Lawsuit shall not be asserted as a claim in these chapter 11 cases. The Plaintiffs waive their Claim, and all other claims that the Plaintiffs could have asserted against the Debtors in these chapter 11 cases, against the Wind-Down Debtors.

4. The Plaintiffs shall not seek any recovery from the Wind-Down Debtors, their estates, or their successors, including any trust or fund established pursuant to a plan to pay the claims of unsecured creditors, for any amounts that may be awarded to the Plaintiffs in the Lawsuit.

5. By entering into this Stipulation and Agreed Order, the Wind-Down Debtors are not waiving and will not be deemed to have waived any available rights, counterclaims, or defenses, including at law, equity, or otherwise, with respect to the Lawsuit.

6. This Stipulation and Agreed Order is intended by the Parties to be binding upon their successors, agents, assigns, including bankruptcy trustees and estate representatives, and any parent, subsidiary, or affiliated entity of the Parties.

7. The undersigned hereby represent and warrant that they have full authority to execute this Stipulation and Agreed Order on behalf of the respective Parties and that the respective Parties have full knowledge of, and have consented to, this Stipulation and Agreed Order.

8. The Parties agree that each of them, through their respective counsel, has had a full opportunity to participate in the drafting of this Stipulation and Agreed Order and, accordingly, any claimed ambiguity shall be construed neither for nor against either of the Parties.

9. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Stipulation and Agreed Order, and the Parties hereby consent to such jurisdiction to resolve any disputes or controversies arising from or related to this Stipulation and Order.

Houston, Texas

Dated: _____, 2023.

DAVID JONES
UNITED STATES BANKRUPTCY JUDGE

AGREED TO:

Houston, Texas
January 26, 2023

/s/ Genevieve M. Graham

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